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Texts of Statement and Report on Covert C.I.A. Aid

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Following are the texts of a statement by President Johnson today and of a report to him by a panel headed by Under Secretary of State Nicholas deB. Katzenbach on the Central Intelligence Agency and private American voluntary organizations:

Johnson Statement

I have received the report from the committee which I appointed on February 15 to review relationships between the Central Intelligence Agency and private American voluntary organizations. This committee consisted of Under Secretary of State Nicholas Katzenbach, as chairman, Secretary of Health, Education and Welfare John Gardner and C.I.A. Director Richard Helms.

I accept this committee's proposed statement of policy and am directing all agencies of the Government to implement it fully.

We will also give serious consideration to the committee's recommendation "that the Government should promptly develop and establish a public-private mechanism to provide public funds openly for overseas activities of organizations which are adjudged deserving, in the national interest, of public support." To review concrete ways of accomplishing this objective, I am requesting Secretary Rusk to serve as chairman of a special committee which will include representatives from the executive, the Congress, and the private community.

Report on C.I.A.

Dear Mr. President:

The committee which you appointed on February 15, 1967, has sought, pursuant to your request:

1. To review relationships between Government agencies, notably the Central Intelligence Agency, and educational and private voluntary organizations which operate abroad.

2. To recommend means to help assure that such organizations can play their proper and vital role abroad.

The committee has held a number of meetings, interviewed dozens of individuals in and out of Government, and reviewed thousands of pages of reports. We have

surveyed the relevant activities of a number of Federal agencies. And we have reviewed in particular and specific detail the relationship between C.I.A. and each relevant organization.

Our report, supplemented with supporting classified documents, follows. In summary, the committee offers two basic recommendations:

1. It should be the policy of the United States Government that no Federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations.
2. The Government should promptly develop and establish a public-private mechanism to provide public funds openly for overseas activities or organizations which are adjudged deserving, in the national interest, of public support.

1. A New Policy

The years immediately after World War II saw a surge of Communist activity in organizations throughout the world. Students, scientists, veterans, women and professional groups were organized into international bodies which spoke in the cadences, advocated the policies, and furthered the interests of the Communist bloc. Much of this activity was organized, directed, and financed covertly by Communist Governments.

American organizations reacted from the first. The young men and women who founded the United States National Student Association, for example, did so precisely to give American youth the capacity to hold their own in the international arena. But the importance of students as a force in international events had yet to become widely understood and N.S.A. found it difficult to attract private support for its international activities. Accordingly, the United States Government, acting through the Central Intelligence Agency, provided support for this overseas work.

We have taken N.S.A. as an example. While no useful purpose would be served by detailing any other C.I.A. programs of assistance to private American voluntary organizations, one fundamental point should be clearly stated: such assistance was given pursuant to National Security Council policies beginning in October, 1951, and with the subsequent concurrence of

high-level senior interdepartmental review committees in the last four Administrations. In December, 1960, in a classified report submitted after

a year of study, a public-private Presidential committee on information activities abroad specifically endorsed both overt and covert programs, including those assisted by C.I.A.

Our study, undertaken at a later time, discloses new developments which suggest that we should now re-examine these policies. The American public, for example, has become increasingly aware of the importance of the complex forms of international competition between free societies and Communist states. As this awareness has grown, so have potential sources of support for the overseas work of private organizations.

There is no precise index to these sources, but their increase is suggested by the growth in the number of private foundations from 2,220 in 1955 to 18,000 in 1967. Hence it is increasingly possible for organizations like N.S.A. to seek support for overseas activities from open sources.

Just as sources of support have increased, so has the number of American groups engaged in overseas work. There has been a ninefold increase in the Agency for International Development, and just among voluntary organizations which participate in technical assistance abroad, rising from 24 in 1951 to 220 in 1965. The total of all private American voluntary groups now working overseas may well exceed a thousand.

The number of such organizations which has been assisted covertly is a small fraction of the total. The vast preponderance have had no relationship with the Government or have accepted only open Government funds—which greatly exceed funds supplied covertly.

The work of private American organizations, in a host of fields, has been of great benefit to scores of countries. That benefit must not be impaired by foreign doubts about the independence of these organizations. The committee believes it is essential for the United States to underscore that independence immediately and decisively.

For these reasons, the committee recommends the following:

Statement of Policy

No Federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations. This policy specifically applies to all foreign activities of such organization and it reaffirms present policy with respect to their domestic activities.

Where such support has been given, it will be terminated as quickly as possible without destroying valuable private organizations before they can seek new means of support. (A)

We believe that, particularly in the light of recent publicity, establishment of a clear policy of this kind is the only way for the Government to carry out two important responsibilities. One is to avoid any implication that governmental assistance, because it is given covertly, is used to affect the policies of private voluntary groups. The second responsibility is to make it plain in all foreign countries that the activities of private American groups abroad are, in fact, private.

The committee has sought carefully to assess the impact of this statement of policy on C.I.A. we have reviewed each relevant program of assistance carried out by the agency in case-by-case detail. As a result of this scrutiny, the committee is satisfied that application of the statement of policy will not unduly handicap the agency in the exercise of its national security responsibilities. Indeed it should be noted that, starting well before the appearance of recent publicity, C.I.A. had initiated and pursued efforts to disengage from certain of these activities.

The committee also recommends that the implementation of this policy be supervised by the senior interdepartmental review committee which already passes on proposed C.I.A. activities and which would review, and